Wealth Markets and Commerce

Wheat Substitutes Used

WASHINGTON, March 21.—Substitutes for wheat are going to Europe in increasing quantities as the need there for foodstuffs becomes more acute and the usual breadstuffs supplies decline. Figures made public to-day by the food administration show that up to March 9 exports of oats since January 1 this year were 14,200,000 bushels, compared with 3,000,000,000 bushels last year.

Finance - Economics

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The Gore bill, passed by the Senate yesterday, proposes to change the food control act in three important respects. First, it would raise the guaranteed price for wheat from \$2 to \$2.50 a bushel; second, it expressly stipulates that the price fixed is not a maximum, but a minimum; third, it would substitute No. 2 Northern for No. 1 Northern as the basic grade, which is, in effect, equivalent to a further rise in the average price, since the latter is an especially fine grade, and the poorer qualities suffer when it is used as the standard. The effect of this bill, if it is finally approved, should be to stimulate greatly the production of wheat. The farmers are handicapped this year by labor shortage and reports indicate that a good many of them are inclined to reduce acreages, so that they may be sure of harvesting all they plant. But with a minimum of \$2.50 a bushel for the principal cereal, and the possibility of a still higher price, many of them will chance the planting of a larger acreage than they would otherwise. With the minimum fixed at \$2 a bushel, the average value per acre of wheat, based on 1917 yield, would be about \$28, whereas the value of an acre of rye, figured on the same basis, would be about \$38, while an acre planted to corn would yield about \$40, and to barley \$45. Some farmers have been disposed to plant the coarse grains, instead of wheat, because of this discrepancy, especially since the former are less subject to the vicissitudes that make wheat growing a highly speculative business. At \$2.50 a bushel, and the average yield the same as in 1917, the value of an acre of wheat this year would be in the neighborhood of \$35, and that is sufficient to insure the sowing of all the wheat that can be planted with the available labor supply.

The cry for "business as usual" is still heard in many places, though those who back the propaganda camouflage it in other phrases. For instance, a business man says that there are no unessential businesses—that "all industries giving employment to labor are essential." If there were enough labor to produce the things required for war purposes and all the goods normally consumed as well, the "business as usual" idea might be defensible; there is not, however, and the supply of labor for war work can be increased only by curtailing operations of industries whose products do not contribute toward winning the war. But since the non-essential businesses are being curtailed in spite of all efforts to maintain them—witness the restriction in output of automobiles—the "business as usual" propaganda might be ignored were it not for the fact that it spreads throughout the country and everywhere encourages extravagance, and thus tends to injure the thrift campaign. And thrift, always a virtue, and now a necessity, is a thing the American people find it hard to achieve. Though we have been at war for nearly a year, the orgy of wild spending has not diminished as much as it should. Witness the following letter from one of the largest merchants on the Pacific Coast to a San Francisco banker:

> We think people do not yet realize fully the seriousness of the war. We note prodigal spending in many cases. The class of people who are careful in their buying are the persons who have been accustomed to money and whose incomes, while heretofore considered good, are relatively fixed. Their money does not buy as much as it formerly did and they have large taxes to pay. On the other hand the mechanics and laborers are receiving unprecedented wages which they spend in a prodigal way. This is the situation as we see it and we consider it quite depressing, as to our minds the condition will become worse in this respect as money expended by the government will be more and more widely disseminated among people who are unaccustomed to it and who do not understand its proper use. The war is going to be a long one and will be accompanied by a hard struggle, with much suffering. I think the seriousness of the situation will gradually but surely grow on the California people, who, so far, have not been inconvenienced.

The Evils of Inflation

To the Financial Editor of The Tribune.

Sir: I am deeply interested in the subject of inflation and gravely concerned over the war financing policy to which our country has apparently committed itself.

The evils of inflation are so insidious, so far-reaching and so disturbing to labor and capital and all business that they rise to the proportions of a national calamity. No one who remembers that it took twenty-five years after the bursting of the inflation bubble of the Civil War for the country as a whole to recover can view prospective inflation without alarm.

It is true that up to the present moment there has been little, if any, actual inflation. The rise in prices we have experienced is undoubtedly due almost wholly to increased demand for commodities and increased gold supply; but if the government issues any very large amount of bonds to meet the current expense of the war, inflation will inevitably result. By current expense I mean that part of the expense which goes into labor and material things which are being consumed steadily as the war goes on—food, uniforms, munitions, arms and the like.

An Unsound Policy

For the government to issue bonds for moneys to be loaned to the Allies and for moneys to be used in the purchase and construction of things of permanent or quasi-permanent value, such as merchant ships, buildings and the like, is, of course, sound practice; and while issuance of such bonds would naturally result in some expansion of credits if the volume were great, it would be wholesome expansion which could not properly be defined as inflation. But for the government to issue bonds for current expenses is unscientific, unsound and certain to be followed by disaster.

The common argument offered for the issuance of such bonds is twofold: First, that the only other alternative, to wit, raising the money by taxation, would stultify business; and, second, that such issues shift part of the burden of paying for the war onto the shoulders of future generations.

Neither of these arguments bears close examination. As this country cannot borrow from any other country, the amount of money which must be raised to meet war expense among the people of this country is the same whether raised by taxation or by bond issue. So, if raising this amount of money by taxation would stultify business, so also would it do so to raise it by selling bonds. The amount to be raised is the same in either case, the time in which it must be raised is the same in either case, and the people, speaking now of the people of the country as a whole, from whom it must be raised are the same in either case.

The situation of the country is analogous to that of an individual obliged to make a large payment but unable to borrow from any one else. An individual so situated would hardly go to the trouble of writing himself promissory notes payable to himself at the expiration of a period of years; he would make the payment, charge it to profit and loss, and so have done with it.

Self-Deception

The second argument is equally fallacious. Issuing bonds does not shift the burden of paying for the war upon future generations even to the extent of a single dollar. It does affect the distribution of the burden of war slightly at the present time, and the distribution of the burden of living slightly in the future. And in exactly the extent to which it relieves any given group now it burdens the same group hereafter. What we do, speaking again of the people as a whole, when we issue bonds is merely to give ourselves our own promises to pay ourselves something in the future; then we proceed to tax ourselves for the purpose of meeting this payment to ourselves. It is camouflage, pure and simple; it is self-deception, and it spells inflation. Self-deception retards war work and gums the machinery of business; inflation carries evils of the most destructive character.

When the government is able to ascertain with some degree of accuracy what part of its expenditures is to go into loans to Allies and property of quasi-permanent value and what proportion is to go to meet current expense, it should immediately outline a policy under which bonds will be issued only for the former purposes, and taxes be laid to cover all of the latter expenditures. Only in this way can we avoid unthinkable internal disorder while the war goes on and an impossible readjustment period after the war which will last for from a quarter to a half century.

As to the war finance corporation bill, this, if the government is to issue bonds to meet current expense, is in my opinion an absolute necessity; but if the government is to follow the more scientific method of raising funds for current expenditures by taxation alone, the need for it is debatable. Possibly something of the kind might be desirable in any case, for a great deal of expansion will take place whatever policy the government follows, and the savings banks in the Eastern and New England States and the so-called country banks in many other districts will hardly be able to keep up with the expanding movement, unless they are permitted to some extent to use their kind of assets as a basis for new credits, as the national and other member banks use their kind through the Federal Reserve system.

The government's price-fixing policy is closely related to its financing policy, and no discussion of bond issues alone can be clear and comprehensive without reference to that relationship. I am just as strongly opposed to price-fixing as I am to the issuance of bonds to meet current expense. The two things go together and are in a certain, perhaps remote, sense interdependent. Together they slow down war work, impede business, cause unspeakable fusion and carry the makings of cataclysmic national disaster.

A. E. ADAMS,
President, First National Bank.
Youngstown, Ohio, March 20, 1918.

(Note: An article by Mr. Adams discussing price-fixing will be presented on the financial feature page on Sunday.—Financial Editor.)

Money and Credit

The demand for call money for Stock Exchange purposes was light yesterday, but owing to the decrease in offerings by the banks the ruling rate hardened slightly, call loans being quoted at 5 per cent, against 4¾ the day previous. Some business was done on a basis of 3½ per cent late in the afternoon.

The tone of the market for fixed date funds was unchanged, with very little money being offered for any maturity. The demand continues large, with would-be borrowers offering 6 per cent for loans against a mixture of railway and industrial securities as collateral, but most of the local banks show a reluctance to put out any funds except on call. A few time loans are reported to have been made here for the account of interior banks.

Ruling rates for money yesterday, compared with a year ago, were as follows:

	Yesterday, per cent.	Year ago, per cent.
Call money	5%	2¼%
Time money (mixed collateral):		
Sixty days	6	3½@3¾
Ninety days	6	3½@3¾
Four months	6	3¾@4
5 to 6 months	6	4

Commercial Paper.—A fair volume of business in four to six months prime paper was done yesterday on a 6 per cent discount basis. Out-of-town institutions continue as the principle buyers.

Bank Acceptances.—Considerably more activity was reported in this market yesterday under the impulse of a broadening demand. Rates were unchanged as a rule.

Discount Rates.—Official rates of discount for each of the twelve Federal districts are as follows:

	Days: 15 or less.	Over 15 up to 30.	Over 30 up to 60.	Over 60 up to 90.
Boston	4	4	4½	4½
New York	3½	4½	4½	4½
Philadelphia	4	4	4½	4½
Cleveland	4	4	4½	4½
Richmond	4	4½	4½	4½
Atlanta	4	4	4½	4½
Chicago	4	4½	4½	5
St. Louis	4	4	4½	4½
Minneapolis	4	4	4	5
Kansas City	4	4½	4½	4½
Dallas	4	4	4½	4½
San Francisco	4	4	4½	4½

Bank Clearings.—The day's bank clearings at New York and other cities were:

	Exchanges.	Balances.
New York	\$520,338,221	\$43,101,791
Boston	48,578,870	14,459,487
Philadelphia	56,774,101	11,282,072

Sub-Treasury.—The banks lost \$564,660 to the Sub-Treasury yesterday.

Silver.—Bars in London were quoted 44½d, up ¾d; New York, 89⅞, up 1⅝c; Mexican dollars, 72¾c, an advance of ⅝c.

Bank of England.—LONDON, March 21.—The weekly statement of the Bank of England showed an increase of £520,011 in gold holdings, compared with a week ago. The proportion of reserves to liabilities now stands at 18.68 per cent, against 18.67 last week. The statement, with the changes from a week ago, follows:

Gold	£60,604,125	Inc.	£520,011
Reserve	31,797,000	Inc.	446,000
Nts. res.	30,899,000	Inc.	505,000
Circulation	47,360,000	Inc.	74,000
Pub. dep.	35,383,000	Dec.	2,979,000
Other dep.	134,381,000	Inc.	5,383,000
Gov. sec.	56,985,000	Inc.	361,000
Other sec.	99,198,000	Inc.	1,624,000

London Money Market.—LONDON, March 21.—Money ruled at 2¾ per cent, closing at 3¼ per cent. Discount rates—Short and three month bills, 3 9-16 per cent. Gold premium at Lisbon, 125.

Dollar in Foreign Exchange

Exchange on the neutral countries of Europe displayed pronounced strength yesterday. Swiss francs rose to 4.33 for cables, while Swedish crowns touched 33½ cents, the latter an advance of ¾. Exchange on Holland was also strong, guilders moving to 46¾ cents for cables, a new high record for the current movement. Spanish pesetas touched 25.30 cents, also a new high record.

Exchange on London and Paris underwent little change. Italian lire displayed a slightly easier tendency.

Closing rates yesterday, compared with a week ago, follow:

	Yesterday.	Week ago.
(Quoted dollars to the pound.)		
Sterling, demand	\$4.75⅝	\$4.75¼
Sterling, sixty days	4.72	4.72
Sterling, cables	4.76⅞	4.76⅞
Sterling, ninety days	4.70	4.70
(Quoted units to the dollar.)		
Francs, demand	5.72⅝	5.73
Francs, cables	5.71½	5.71¾
Lire, checks	8.68	8.46
Lire, cables	8.66	8.44
Swiss, checks	4.35	4.42
Swiss, cables	4.33	4.40
(Quoted cents to the unit.)		
Guilders, checks	46¼	45
Guilders, cables	46¾	45½
Rubles, cables	13.25	13.25
Stockholm, kr., checks	33.50	31.75
Copenhagen, kr., ch'ks	31.00	29.85
Pesetas, checks	25.30	24.80

Below is given the current exchange value of foreign money in dollars and cents, together with the intrinsic gold parity, as calculated by the United States Mint:

	Current exchange value.	Intrinsic value.
Pounds, sterling	\$4.75⅝	\$4.86⅝
Francs	0.17.4	0.19.3
Guilders	0.46	0.40.2
Rubles	0.13.25	0.51.2
Lire, checks	0.11.22	0.19.3
Crowns (Denmark)	0.30.75	0.26.8
Crowns (Sweden)	0.32.75	0.26.8

The above rates express the cost of foreign money in terms of the American dollar. You buy an English pound sterling at, say, \$4.75¼. The intrinsic parity is \$4.86⅝ per pound. Thus you say either that pounds are at a discount or that dollars are at a premium, which is owing to the fact that in England the demand for dollars with which to settle accounts in this country is greater than the demand in this country for pounds with which to settle accounts in England.

C. & O. Anticipates Big Expenditures For Betterments

Makes \$7,500,000 Appropriation a Year Ahead of Schedule

Directors of the Chesapeake & Ohio Railroad Company at a meeting yesterday voted to appropriate out of the net earnings for the twenty months ended December 31 last \$7,500,000 for property expenditures under the agreement made with Kuhn, Loeb & Co. and the National City Company in the spring of 1916 for the purchase of \$40,180,000 of the railroad's thirty-year 5 per cent convertible bonds.

By this action the company anticipated its requirements for expenditures on additions and betterments by more than a year, as the agreement with the bankers stipulated that the road had until June 1, 1919, in which to spend the full \$7,500,000.

In all the Chesapeake & Ohio agreed to spend \$15,500,000 to meet the requirements of the bankers before they would consent to underwrite the convertible bonds. The larger part of this issue was set aside to pay off \$33,000,000 five-year 5 per cent notes that mature on June 1 next year.

Frank A. Trumbull, chairman of the board of directors, announced after yesterday's meeting that the surplus for the twenty months ended December 31, after the reserve for betterments had been set aside, amounted to \$1,768,500. "Thus we have done in twenty months," he said, "what we were allowed to do in three years."

When the Chesapeake & Ohio financed its notes in the spring of 1916 the company was just beginning to recover from a period of depression that resulted in the non-payment of dividends during 1915. In 1916 stockholders received 2 per cent and last year 4 per cent, which is also the current rate.

The indicated earnings on the company's \$62,792,000 outstanding common stock last year were 11.25 per cent, compared with 12.21 per cent earned in 1916.

Fear Dutch Restrictions

Seizure of Shipments May Stop Flow of Tin

The seizure of Dutch ships in the United States waters may reduce the production of tin in this country. In metal circles the relation between these two facts was discussed yesterday. Much of the raw materials needed by the tin plate mills has recently come from the Dutch East Indies, especially since England has restricted trade in tin with her colonies.

If Holland accepts the action of the United States and the Allies in bad grace it is feared that she may interfere with America's commerce in tin and that the flow of raw material from that source may be impeded. Such a contingency, it is said, would make a bad situation in the tin market worse.

At present spot straits tin, which is quoted as high as \$1 a pound, is virtually unobtainable, and shipment tin of various brands is offered at from 75 to 90 cents a pound, compared with 53¼ cents a year ago. And at this price business is restricted because buyers are not sure when deliveries can be made.

Gov't Orders Pullers To Hold Wool Stocks

WASHINGTON, March 21.—Wool-pullers and dealers in wool pelts have been ordered by the War Industries Board to hold all stocks for the option of government purchase at a maximum price of 14 cents a pound. Dealers will be required to make monthly reports of all stocks bought during the preceding month. They must hold the stocks for twenty days, and if not taken at the end of that time, they may sell in the open market.

An increased demand for sheepskin jerkins for the army prompted the action of the War Industries Board. These jerkins, the wool-pullers were told, are taking the place of sweaters for soldiers at the fighting front. No immediate shortage is in prospect, wool men said. The price fixed applies to the price at which hides are to be sold to the tanners. Prices which tanners may charge have been fixed at 16, 18 and 20 cents.

Significant Relations

Money and Prices:			
Stock of money gold in the country	Now. \$3,041,643,270		A year ago. \$2,968,355,434
Loans of all national banks	Dec. 31, 1917. \$9,398,836,000		Nearest period previous year \$8,340,626,000
Bills discounted and bought by Federal Reserve Banks	Last week. \$840,732,000		A year ago. \$114,236,000
Federal Reserve notes in circulation	1,406,228,000		336,061,000
Total gold reserve	1,793,243,000		*897,926,000
Average price of fifty stocks	Yesterday. 75.46	The day before. 74.94	A year ago. 89.76
Average price of twenty-five bonds	80.57	84.86	95.24
Food cost of living (Annalist index number)	Last week. 285.430	The week before. 287.028	A year ago. 233.914
General commodity price level (Dun's index number)	Mar. 1. 227.97	Feb. 1. 227.02	A year ago. 222.17
Production:			
Unfilled U. S. Steel orders, tons	Feb. 28. 9,288,543	Jan. 31. 9,477,853	A year ago. 11,576,697
Pig iron (daily average), tons	February. 82,835	January. 77,799	A year ago. 94,473
Wheat crop, bushels	1917 yield estimated. 650,828,000		The 1916 crop 636,318,000
Corn crop, bushels	3,159,494,000		2,566,927,000
Oats crop, bushels	1,587,286,000		1,251,837,000
Cotton crop, bales	10,949,000		11,449,930
Distribution:	Increase or decrease from year before		
Gross railroad earnings	(16 roads.) First week of March. +13.7%	(141 roads) Month of Dec. +6.9%	Jan. 1 to Dec. 31. +11.1%
	Increase or decrease from last year		
Bank clearings	Last week. +14.8%	The week before. +7.8%	Year to date. +6.1%
General:			
Active cotton spindles	Feb. 28. 33,615,110	Jan. 31. 33,552,732	A year ago. 33,122,450
Commercial failures (Dun's): Number	February. 980	January. 1,178	A year ago. 1,165
Liabilities	\$12,829,182	\$19,278,787	\$16,617,883
Building permits (Bradstreet's): (149 cities)	February, 1918. \$27,566,395		February, 1917. \$50,982,442

*Gold held by Reserve agents against circulation included in general fund beginning June 23, 1917. For purposes of comparison it is included in the 1916 figures.

Market Barometers

Stock Exchange Transactions

	Railroads.	Other stocks.	All stocks.
Yesterday	33,300	208,400	241,700
Day before	49,600	162,900	212,500
Week ago	16,300	209,500	225,800
Year ago	92,900	901,900	994,800
January 1 to date:			
1918	3,630,700	26,352,300	29,983,000
1917	4,539,400	38,347,400	42,886,800
1916	4,813,500	34,737,800	39,551,300

Stock and Bond Averages

	Yesterday	Day before	Year ago
Stocks			
20 Railroads	69.70	69.45	85.50
30 Industrials	79.30	78.60	92.60
50 Stocks	75.46	74.94	89.76
Bonds			
10 Railroads	79.13	78.96	92.10
10 Industrials	90.41	90.08	95.93
5 Utilities	86.24	86.20	100.14
25 Bonds	80.57	84.86	95.24

Cotton Prices Jump to New High Records

All Deliveries Rise as Short Interests Cover—Spot Position Strong

A sharp movement upward distinguished the cotton market yesterday. All deliveries except July established new high records for the season. March sold up to 34.05, or more than \$3.50 a bale more than the closing price of Wednesday, on covering by those who had sold short in expectation of a fall and who have only until noon to-day to buy back their contracts or make deliveries.

May sold up to 32.99, or 60 points net higher, and closed at 32.91, with the general list closing strong at a net advance of 33 to 77 points. Obviously the market was responding to a continued demand from trade sources, strength in the goods market, scarcity of spot offerings and covering by recent sellers.

Possibly the failure of the official Western belt forecast to confirm private predictions of rains in the Southwest was a factor, but the advance was led by the near months. Buying here by men with Liverpool affiliations has taken a good deal of cotton off the market during the last few days, and people who had sold earlier in the week on the talk of price-fixing and other features evidently lost faith in their position.

The market opened steady at an advance of 2 to 16 points in response to higher Liverpool cables, but almost immediately eased off under selling by old crop longs and scattered liquidation of new crop deliveries on the talk of better rain conditions for the Southwest.

Manchester cabled that stocks of yarn were diminishing, and it was said that in practically all markets buyers of goods are more concerned over getting supplies than critical as to prices. Though the taking over of the Dutch shipping was much discussed at the Cotton Exchange, its effect on the market appeared to have been discounted.

	Yes'day's close.	Previous close.	Year ago.
Cash	35.05	34.30	19.30
Contract			
March	34.05	33.23	19.10
May	32.91	32.39	18.86
July	32.17	31.76	18.75
October	31.05	30.69	18.28
December	30.85	30.47	18.36

No exports were reported for the day. Southern spot markets as officially reported were unchanged to 50 points higher.

Union Bag and Paper Profits Are Larger

Year's Earnings Equivalent to \$21.44 a Share on Stock; Difficulties Encountered

In the face of heavier operating costs due to the higher wages for labor and the advance in the price of materials, the Union Bag and Paper Corporation showed a substantial increase in profits in the year ended January 31 last, according to the annual report issued yesterday. This disclosed net earnings of \$3,131,106, an increase of \$298,823, compared with the previous year. After allowing \$555,764 for Federal taxes, the balance available for dividends amounted to \$2,102,716, equivalent to \$21.44 a share, compared with \$16.89 a share in the preceding twelve months.

M. B. Wallace, president of the company, in his remarks to the stockholders, emphasized the fact that 1917 was a difficult year for the manufacture and distribution of the company's products, owing to the increased costs of labor and materials and the poor transportation facilities. These conditions, it was stated, made it necessary to employ a much larger amount of cash to conduct the business in the matter of carrying and accumulating requirements of pulp wood, general supplies, stores, fuel and merchandise.

The St. Maurice Paper Company, Ltd., a subsidiary of the Union Bag, showed net profits of \$595,143 last year. None of these earnings was included in the income account of the parent company for the reason that no dividends have been declared by the St. Maurice Paper Company.

\$17,000,000 for Taxes

Cambria Steel Contributes Heavily to Government's Revenues

Although \$17,264,396 was set aside out of the 1917 earnings to pay Federal income and excess profits taxes the remaining net income of the Cambria Steel Company, amounting to \$25,721,853, showed an increase of \$627,500 over 1916.

The net operating earnings last year totalled \$47,121,669, compared with \$27,511,794 the previous year. Surplus after payment of dividends showed a loss of \$1,735,000 owing to the fact that disbursements to stockholders in 1917 were \$5,400,000, compared with \$3,037,500 in 1916.

Oil Director Is Making Survey Of Pipe Lines

Has Not Decided on Pooling; Producers Want Guarantee

An investigation has been undertaken by the oil division of the United States fuel administration, it was learned yesterday, to determine whether it will be necessary to pool the pipe lines of the country into one great system in order to facilitate the distribution of crude oil. It was reported that arrangements might ultimately be made for connecting up all the private pipe lines and operating them as a unit, much in the manner in which the government is now operating the railroads.

Mark L. Requa, director of the oil division, when asked regarding the investigation, said that the whole field was being carefully gone over. S. A. Guyerson, jr., a California oil man who has been identified with prominent independent oil properties on the Pacific Coast, has charge of the investigation of the pipe line situation. It is expected to take considerable time to evolve any plan that might be adopted for coördinating the pipe lines.

Drilling Cost High.

Producers of oil were much interested yesterday in the announcement made by Mr. Requa that whenever the government deems it necessary private oil contracts will be abrogated and producers ordered to supply oil to indicated industries, regardless of existing contracts. Henry L. Doherty, who has a large stake in the oil industry, declared that the "oil producers must have some guarantee from the government against heavy losses that may be incurred in the drilling of new wells. It costs about \$25,000 to drill a well," he said, "and if it proves to be a dry hole, then the producer is out that amount. It is against such possible losses that the producer ought to be protected, and the only protection is to grant higher prices so that profits from holes that yield oil will balance losses from dry wells."

According to Mr. Doherty the lack of new production and the constant depletion of reserves are likely to bring about a scarcity of oil comparable to the coal scarcity, unless prompt action is taken to stimulate development of proven acreage and the exploration of untested fields.

Prices Advanced.

Further advances in crude oil prices were announced by producers in various parts of the country, following the marking up of quotations in the Oklahoma and Kansas territory. The Ohio Oil Company advanced the price of the following grades of crude oil 10 cents a barrel: North and South Lima to \$2.28; Indiana to \$2.18; Wooster to \$2.58; Illinois and Princeton to \$2.32, and Plymouth to \$2.23.

Three grades of Wyoming crude were advanced in price, Big Muddy 20 cents to \$1.50 a barrel and Elk Basin and Grass Creek 15 cents each to \$1.85 a barrel.

Relevant Comment

Vanderlip on the Job Again

Frank A. Vanderlip, who cut his vacation in California short because of the death last week of James Stillman, late chairman of the National City Bank, upon his arrival here yesterday resumed the duties of president, which he relinquished to manage the war savings campaign.

Mr. Vanderlip was deaf to all inquiries relating to possible changes that may result from the death of Mr. Stillman. "I have been away so long," he said, "that it will take me some time to get my bearings here at the bank again."

Soon aftr his arrival at his desk Mr. Vanderlip went into conference with John W. Sterling, a director and the attorney for the City Bank. Among those who called on him during the day was Henry Ford. Mr. Ford said he was too busy working for the government to talk.

It is thought by officials and others closely connected with the bank that the matter of filling the chairmanship of the board, the office made vacant by Mr. Stillman's death, will be deferred for an indefinite period, possibly until the annual meeting of stockholders next January.

Car and Foundry Comes to Life

Strength of American Car and Foundry shares yesterday was based on an anonymous interview with a director of the company to the effect that the stock would be placed on a regular 8 per cent dividend basis. It was further stated that the board of directors aimed to establish a reserve for dividends that would assure disbursements at this rate for at least five years. The company has been paying of late 1 per cent regular quarterly plus 1 per cent extra, making 8 per cent a year in all. The stock in yesterday's market was unusually active, rising 2⅜ points net, to 78⅜, on a turnover of 17,000 shares.

Distillers Gains, Too

Another strong industrial specialty was Distillers Securities. The stock jumped 1¾ points, to 41½, on dealings of 12,200 shares. Traders bought Distillers on President Kessler's statement, issued at the annual meeting on Wednesday, to the effect that in the current quarter the company's earnings have exceeded \$2,000,000.

Little Time Money Out

According to an estimate made yesterday, outstanding collateral time loans carried by national banks in the Street, which at times have aggregated as much as \$300,000,000, have during the last few weeks been sharply reduced and now probably do not exceed \$50,000,000. It has been the policy of the banks, in view of the heavy demands of the government on their resources, to let these loans as they have come due run off without renewing them. This has compelled Stock Exchange houses to take call money to meet their daily needs, a situation which brought about the agitation for the money pool to offer its resources to supply the deficit in time funds.

Paper Suit Dropped

Attorneys for the International Paper Company announced yesterday that the suit brought by Ernest Turnbloom and Delavan A. Holmes, representing common stockholders, had been voluntarily discontinued without cost to either side. The plaintiffs began action against the company last fall asking that the management be compelled to pay all arrearages of dividends on the preferred stock and that an equitable distribution of the remaining surplus be made on the common stock. The removal of P. T. Dodge as president was also requested.